



MILPITAS CITY COUNCIL MEETING AGENDA

TUESDAY, APRIL 21, 2015

455 EAST CALAVERAS BOULEVARD, MILPITAS, CA

5:30 P.M. CLOSED SESSION

6:00 P.M. STUDY SESSION

7:00 P.M. PUBLIC BUSINESS

SUMMARY OF CONTENTS

I. CALL TO ORDER/ROLL CALL by the Mayor (5:30 p.m.)

II. ADJOURN TO CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL, ANTICIPATED LITIGATION

Pursuant to California Government Code Section 54956.9 - City as Defendant

PUBLIC EMPLOYEE PERFORMANCE REVIEW

Pursuant to California Government Code Section 54957

Position: City Attorney

III. CLOSED SESSION ANNOUNCEMENT: Report on action taken in Closed Session, if required pursuant to Government Code Section 54957.1, including the vote or abstention of each member present

IV. STUDY SESSION: CAPITAL IMPROVEMENT PROGRAM FY 2015-2020 (6:00 p.m.)

- 1. Review the Draft 2015-2020 Capital Improvement Program (CIP) Report and Provide Staff with Direction and Comments (Staff Contact: Steven Machida, 408-586-3355)**

V. PLEDGE OF ALLEGIANCE (7:00 p.m.)

VI. INVOCATION (Councilmember Barbadillo)

VII. APPROVAL OF COUNCIL MEETING MINUTES – April 7 (2) and 9, 2015

VIII. SCHEDULE OF MEETINGS – COUNCIL CALENDARS – April and May 2015

IX. PRESENTATION Recognition of Milpitas Post newspaper's 60th anniversary

X. PUBLIC FORUM

Members of the audience are invited to address the Council on any subject not on tonight's agenda. Speakers must come to the podium, state their name and city of residence for the Clerk's record, and limit their remarks to three minutes. As an item not listed on the agenda, no response is required from City staff or the Council and no action can be taken. However, the Council may instruct the City Manager to place the item on a future meeting agenda.

XI. ANNOUNCEMENTS

XII. ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS

XIII. APPROVAL OF AGENDA

XIV. CONSENT CALENDAR (Items with asterisks*)

Consent calendar items are considered to be routine and will be considered for adoption by one motion. There will be no separate discussion of these items unless a member of the City Council, member of the audience, or staff requests the Council to remove an item from or be added to the consent calendar. Any person desiring to speak on any item on the consent calendar should ask to have that item removed from the consent calendar. If removed, this item will be discussed in the order in which it appears on the agenda.

XV. PUBLIC HEARINGS

- 2. Conduct a Public Hearing and Approve Community Development Block Grant Funding Allocations for FY 2015-16 and Adopt the One-Year Action Plan (Staff Contacts: Felix Reliford, 408-586-3071 and Tim Wong, 408-586-3286)**
- 3. Conduct a Public Hearing and Introduce Ordinance No. 38.822 to Amend the Zoning Code to include provisions relating to Supportive and Transitional Housing and Manufactured Homes and approve Addendum to Negative Declaration (Staff Contacts: Felix Reliford, 408-586-3071 and Tim Wong, 408-586-3286)**
- 4. Conduct a Public Hearing and Adopt a Resolution Approving the Environmental Assessment (Negative Declaration) and General Plan Amendment Updating the Housing Element 2015-2023 and Revisions to the Seismic/Safety Element and Open Space and Conservation Element of the General Plan (Staff Contacts: Felix Reliford, 408-586-3071 and Tim Wong, 408-586-3286)**
- 5. Conduct a Public Hearing and Adopt a Resolution to Approve Vesting Tentative Map, Conditional Use Permit and Site Development Permit for a 489 Unit Development on 10.47 Acres in Two Structures Subject to Conditions of Approval at 450 Montague Expressway (Staff Contact: Darryl Boyd, 408-586-3287)**

XVI. UNFINISHED BUSINESS

- 6. Receive Presentation on an Overview of the California Public Employees Retirement System (CalPERS) (Contacts: Councilmember Grilli, 408-586-3031 and Carmen Valdez, 408-586-3086)**
- 7. Receive a Report and Demonstration on City Web Site Redesign (Staff Contact: Mike Luu, 408-586-2706)**
- 8. Adopt a Resolution of Intention and Introduce Ordinance No. 101.23 Amending the City's Contract with the Board of Administration of the California Public Employees' Retirement System (Staff Contact: Carmen Valdez, 408-586-3086)**
- * 9. Adopt a Resolution Making Findings and Determination of Public Nuisance Regarding Newby Island Resource and Recovery Park Landfill Operation (Staff Contact: Michael Ogaz, 408-586-3040)**

XVII. REPORT OF MAYOR

- * 10. Consider Mayor's Recommendations for Appointments to the Economic Development Commission (Contact: Mayor Esteves, 408-586-3029)**

XVIII. NEW BUSINESS

- 11. Receive a Presentation on the Citrus Pest and Disease Prevention Program (Staff Contact: Emma Karlen, 408-586-3145)**
- * 12. Receive 2014 Housing Element Annual Progress Report (Staff Contact: Tim Wong, 408-586-3286)**

XIX. ORDINANCE

- * 13. Waive the Second Reading and Adopt Ordinance No. 38.821 Relating to Public Art Requirements for Private Development Projects (Staff Contact: Adam Petersen, 408-586-3274)**

XX. RESOLUTION

- * 14. Adopt a Resolution Approving a Communication and Integrity Policy for the Solid Waste Request for Proposal Process (Staff Contact: Steven Machida, 408-586-3355)**

XXI. AGREEMENTS

- * 15. Approve a Three-Year Agreement (FY 2015-2018) with the City of San Jose for Animal Services (Staff Contacts: Tim Wong, 408-586-3286 and Mark Ruffing, 408-586-3282)**
- * 16. Approve Plans and Specifications and Authorize Advertisement for Bid Proposals for Soundwall Renovations, Project No. 4267 (Staff Contact: Steve Erickson, 408-586-3301)**
- * 17. Authorize the Director of Engineering to Issue a Bidder Pre-Qualification Package for the Milpitas Sports Center Pool Repair, Project No. 3408 (Staff Contact: Steve Erickson 408-586-3301)**

XXII. ADJOURNMENT

**NEXT REGULARLY SCHEDULED COUNCIL MEETING
TUESDAY, MAY 5, 2015**

KNOW YOUR RIGHTS UNDER THE OPEN GOVERNMENT ORDINANCE

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions and other agencies of the City exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and the City operations are open to the people's review.

For more information on your rights under the Open Government Ordinance or to report a violation, contact the City Attorney's office at Milpitas City Hall, 455 E. Calaveras Blvd., Milpitas, CA 95035
e-mail: mogaz@ci.milpitas.ca.gov / Phone: 408-586-3040

The Open Government Ordinance is codified in the Milpitas Municipal Code as Title I Chapter 310 and is available online at the City's website www.ci.milpitas.ca.gov by selecting the Milpitas Municipal Code link.

Materials related to an item on this agenda submitted to the City Council after initial distribution of the agenda packet are available for public inspection at the City Clerk's office at Milpitas City Hall, 3rd floor 455 E. Calaveras Blvd., Milpitas and on the City website.

All City Council agendas and related materials can be viewed online here:
www.ci.milpitas.ca.gov/government/council/agenda_minutes.asp (select meeting date)

APPLY TO SERVE ON A CITY COMMISSION

Current vacancies on:
Community Advisory Commission
Sister Cities Commission
Veterans Commission

Commission application forms are available online at www.ci.milpitas.ca.gov or at Milpitas City Hall.
Contact the City Clerk's office at 408-586-3003 for more information.

If you need assistance, per the Americans with Disabilities Act, for any City of Milpitas public meeting, call the City Clerk at (408) 586-3001 or send an e-mail to mlavelle@ci.milpitas.ca.gov prior to the meeting. You may request a larger font agenda or arrange for mobility assistance. For hearing assistance, headsets are available in the City Council Chambers for all meetings.

AGENDA REPORTS

III. STUDY SESSION: CAPITAL IMPROVEMENT PROGRAM FY 2015-20 (6:00 p.m.)

1. Review the Draft 2015-2020 Capital Improvement Program (CIP) Report and Provide Staff with Direction and Comments (Staff Contact: Steven Machida, 408-586-3355)

Background: The Draft 2015-2020 Capital Improvement Program (CIP) document was prepared by staff and distributed to the City Council. Projects are arranged into six main categories: Community Improvements, Parks, Streets, Water, Sewer, and Storm Drain. The document includes a summary by categories, and individual proposed project descriptions. Previously funded projects are also summarized. The value of capital projects proposed to be budgeted in fiscal year 2015-16 is \$22,421,960.

The Parks, Recreation and Cultural Resources Commission reviewed the Parks projects on March 2, 2015 and recommend those projects for approval by Council. The City Council Finance Subcommittee reviewed the Draft 2015-2020 CIP on March 18 and 25, 2015 and recommended the Council approve it. On April 8, 2015, the Planning Commission reviewed the Draft 2015-2020 CIP document and found it in conformance with the General Plan.

A staff presentation of Draft CIP highlights will be provided at the Council meeting. Based upon Council direction, the Draft CIP will be revised and prepared as the Preliminary CIP document, which will then be presented to Council at the budget hearing in May for approval.

NOTE: in the City Council's agenda packet, there is a memo from the Assistant City Manager responding to several requests for information made at the previous Budget Study Session held on April 7, 2015.

Recommendations:

1. Review the Draft 2015-2020 Capital Improvement Program and provide staff with direction and comments.
2. Provide direction to analyze an increase in sales tax and/or Transient Occupancy Tax ("TOT") as a funding mechanism that would include hiring a consultant to survey voters and conduct public outreach.

XV. PUBLIC HEARINGS

2. Conduct a Public Hearing and Approve Community Development Block Grant Funding Allocations for FY 2015-16 and Adopt the One-Year Action Plan (Staff Contacts: Felix Reliford, 408-586-3071 and Tim Wong, 408-586-3286)

Background: The U.S. Department of Housing and Urban Development (HUD) provides annual grants through the Community Development Block Grant (CDBG) Program to local governments to assist in providing decent housing, a suitable living environment, and expand economic opportunities for the low to moderate-income persons. The purpose of this public hearing is to set funding allocations for the CDBG funds provided to the City for FY 2015-16, adoption of the One-Year Action Plan, and authorize the City to enter into agreements for CDBG funds with the services providers and disburse the funds thereafter.

During the month of January 2015, the City advertised (local newspaper, City website, cable TV and notice to service providers) the 30-day time period by which to submit CDBG funding applications and sent out notices to past service providers. The Community Advisory Commission (CAC) held a public hearing on March 4, 2015, to review the 17 applications received and provide funding recommendations to the City Council. CAC funding recommendations are based on a confirmed allocation of \$393,490.

Pursuant to CDBG federal requirements, the total CDBG funding can set aside up to 15% for public service, 65% for non-public services and the 20% towards program administration. Therefore, the overall CDBG Grant allocation for FY 2015-16 will be:

Public Services:	\$ 59,023.50
Non-Public Services:	\$255,768.50
Program Administration:	\$ 78,698.00
Total:	\$393,490.00

The CAC also recommended the Council consider the following:

- From the March 4, 2015 CAC Meeting, Commissioners requested that service providers applying for CDBG funds must attend or send a representative to the CAC/CDBG meeting to deliver a presentation to be considered for funding.
- City Council is recommended to allocate \$169,303 for the City's Rehabilitation Revolving Loan Fund. The Rehabilitation Revolving Loan fund is accumulated from the repayment of prior CDBG Rehabilitation Loans from property owners. The funds can only be used for rehabilitation activities. Because of this funding request, there is no need to request rehabilitation funds from the CDBG FY 2015-16 grant allocation.
- The draft Action Plan describes anticipated CDBG activities and expenditures to be undertaken for fiscal year 2015-16 and how these activities relate to meeting the objectives identified in the Five-Year Consolidated Plan. The draft Action Plan was advertised for public review and comments for 30 days (from March 13 to April 13, 2015) and sent to CDBG service providers. The draft Action Plan was made available at Milpitas Public Library and City Hall. Any significant public comments received will be incorporated in the final Action Plan prior to the submittal to HUD by May 15, 2015. HUD reviews and approves the Action Plan prior to releasing CDBG funds.

Included in the Council's agenda packets are March 4, 2015 Community Advisory Commission meeting minutes and funding recommendations.

Fiscal Impact: None.

Attachments:

- A. Draft CDBG Action Plan
- B. Community Advisory Commission funding tally recommendations
- C. CDBG cost chart analysis
- D. City Planner's memo to City Council
- E. Community Advisory Commission meeting minutes

Recommendations:

1. Open the public hearing, then move to close the hearing, following testimony.
 2. Approve additional CDBG funding in the amount of \$169,303 for the Rehabilitation Revolving Loan Fund Fiscal Year 2015-16.
 3. Approve Community Development Block Grant Funding for Fiscal Year 2015-16 and the draft Action Plan.
 4. Authorize the City Manager to execute CDBG agreements with the thirteen non-profit service providers.
- 3. Conduct a Public Hearing and Introduce Ordinance No. 38.822 to Amend the Zoning Code to include provisions relating to Supportive and Transitional Housing and Manufactured Homes and Approve Addendum to Negative Declaration (Staff Contacts: Felix Reliford, 408-586-3071 and Tim Wong, 408-586-3286)**

Background: Pursuant to California Government Code 65580-65589, each city and county are required to prepare and implement a General Plan Housing Element every eight years to comply with the state and regional housing goals. The Housing Element contains the following major subject areas:

- The evaluation of local housing needs and analysis of constraints that would affect the ability of the marketplace to meet these needs.
- The identification of community housing goals, objectives and policies.
- An evaluation of the community's performance in achieving the goals that were established for the previous five years.
- The description of a new eight-year housing program to meet the identified housing needs and goals.

The Draft Housing Element was approved by the City Council in September 2014 and was found by State of California, Department of Housing and Community Development (HCD) to be in conformance with the state housing element law.

STATE LAWS and PROPOSED ZONING ORDINANCE AMENDMENTS

Housing Element Law - Government Code Section 65583 - Requires the Housing Element to identify adequate sites for a variety of housing types including multi-family rental housing, factory-built housing, mobilehomes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters and transitional housing.

Zoning Ordinance Amendments - The proposed change to the Zoning Code outlined in the attached Draft Ordinance would be to conform to State Law and implement two programs included in the City's Housing Element. The changes would (i) modify the Mixed Use (MXD) District to allow supportive and transitional housing as a permitted use and revise the R-2 Zoning District to allow manufactured homes subject to the same architectural requirements and standards as other single family dwellings in the same zone.

At its meeting on November 19, 2013, Council adopted Ordinance No. 38.810 which amended the City's Zoning Code to include provision relating to emergency shelters, single room occupancy residences, supportive and transitional housing and reasonable accommodations. At the time, supportive and transitional housing was excluded from MXD Zoning District because the City had identified an appropriate number of housing opportunity sites to meet its Regional Housing Needs Allocation. After further review by HCD on certification of the City's Housing Element, since MXD Zoning District is a mixed use district which permits residential uses (commercial uses only on the ground floor), supportive and transitional housing by state law must be permitted in the MXD Zoning District.

Manufactured homes are currently permitted in the R-1 Zoning District by right. The Zoning Ordinance permits single family homes in the R-2 Zoning District, therefore, manufactured homes by state law must also be permitted in the R-2 Zoning District.

Upon adoption of the proposed Zoning Ordinance Amendments and the Draft Housing Element and other General Plan Amendments, the Housing Element (2015-2023) will be in full compliance with state law and will be forwarded to HCD. California Government Code Section 65588(e) (4) requires the Housing Element to be adopted by the City within 120 days of the statutory due date of January 31, 2015.

Planning Commission Action - At the March 25, 2015 meeting, the Planning Commission unanimously recommended that the Council adopt Ordinance 38.822 revising the MXD and R2 zone districts and to approve the Addendum to the *Zoning Ordinance Amendments: Housing Element Implementation Project Initial Study and Negative Declaration*.

ENVIRONMENTAL REVIEW

At the November 19, 2013 meeting, the Council adopted a Negative Declaration for the previous Zoning Ordinance Amendments. Because the additional Zoning Ordinance Amendments would not involve new significant information or environmental effects and no substantial changes are required to the Housing Element Initial Study and Negative Declaration per CEQA Guidelines Section 15162, an “Addendum” to the *Zoning Ordinance Amendments: Housing Element Implementation Project Initial Study and Negative Declaration* would be appropriate CEQA document consistent with Section Guidelines Section 15164(b). Further, each project would be subject to its own environmental review.

Fiscal Impact: None.

Attachments:

- A. Ordinance No. 38.822
- B. Initial Study Negative Declaration
- C. Addendum to the Negative Declaration

Recommendations:

1. Open the public hearing to receive comments.
2. Move to close the public hearing.
3. Following a reading of the title by the City Attorney, move to waive the first reading beyond the title of Ordinance No. 38.822.
4. Introduce Ordinance No. 38.822 to amend the zoning regulations in the Milpitas Municipal Code to include provisions relating to supportive and transitional housing and manufactured homes.

4. **Conduct a Public Hearing and Adopt a Resolution Approving the Environmental Assessment (Negative Declaration) and General Plan Amendment Updating the Housing Element 2015-2023 and Revisions to the Seismic/Safety Element and Open Space and Conservation Element of the General Plan (Staff Contacts: Felix Reliford, 408-586-3071 and Tim Wong, 408-586-3286)**

Background: **Summary State Housing Element Law**

Under California State law, Section 65580 et seq. of the Government Code requires Housing Elements as a mandatory element of the General Plan and Housing Elements are required to be updated every eight years. All local jurisdictions must have a General Plan that includes a Housing Element. State law also requires that a General Plan and its constituent elements “comprise” an integrated internally consistent and compatible statement of policies.

State Housing Element Law requires the following issues be addressed within the Housing Element:

- Review of prior Housing Element (2009-2014) including analysis of housing production in comparison to mandated housing goals (Regional Housing Needs Allocation-RHNA);
- Analysis of the City’s current and future housing needs;
- Inventory and analysis of housing resources;
- Analysis of governmental and non-governmental constraints to housing production; and
- Housing plan setting forth goals, policies, programs and qualified objectives to address the City’s housing needs.

On September 16, 2014, City Council reviewed the Draft Housing Element, directed staff to incorporate the following revisions and forward the document to State of California, Department of Housing and Community Development (HCD) for review and certification:

- Provide additional information regarding the Urban Growth Boundary
- Maintain the existing policy regarding Executive-Luxury Style Housing
- Delete all references to consideration of nexus study for inclusionary zoning, in-lieu housing fee and commercial linkage fee

The current housing element review includes several new mandated actions required by the state Department of Housing and Community Development (HCD). These new mandates and future zoning ordinance amendments includes permitting transitional and supportive housing in the Mixed Used (MXD) Zoning District and allowing manufactured homes in the Residential-2 (R2) zone district. Staff prepared the zoning amendments and on March 25, 2015, the Planning Commission reviewed and recommended that the City Council approve the zoning amendments. The Zoning Amendments will be considered by the City Council under a separate Council agenda item.

Upon certification from HCD, Government Code Section 65588(e)(4) requires the Housing Element to be adopted by the City Council within 120 days from the statutory due date of January 31, 2015. Upon adoption by the Council the Housing Element will be forwarded to HCD for final approval. Included in the Council's agenda packet is a copy of the certification letter from HCD.

General Plan Amendments and Environmental Review

The General Plan Amendment includes an update to the current (2007-2014) Housing Element for the planning period 2015-2023. The proposed Project supports the goals and policies of the City's current Housing Element and provides policies and implementing programs to further the City's housing goals to meet its Regional Housing Needs Allocation (RHNA-3,290 units). No rezoning or changes to the General Plan or Zoning districts would be required to achieve this yield. The Seismic and Safety Element Amendment includes an update to required information related to Federal Emergency Management Agency (FEMA) Flood Insurance Rate Maps (FIRMS), dam inundation zones, and City goals and policies to comply with State law (specifically Assembly Bill 162). It also includes the adoption of Santa Clara County's multi-jurisdictional Local Hazard Mitigation Plan and the City of Milpitas' Local Hazard Mitigation Plan Annex to ensure that appropriate emergency measures are implemented when natural disaster occurs. The Open Space and Environmental Conservation Element Amendment includes update to the water Quality and Conservation Section, map of rivers, creeks, streams, and riparian habitat, per AB 162.

Because the Updated Housing Element does not require any potential housing opportunity sites to be rezoned (Transit Area and Midtown Specific Plans have appropriate number of housing sites to meet the City RHNA) and the General Plan amendments for the Seismic and Safety and Open Space and Environmental Conservation Elements are minor amendments to comply with AB 162 (ensure appropriate emergency measures are implemented during natural disaster occurs and update to maps of rivers, creeks, streams, and riparian habitat) no significant environmental impacts are associated with the project and negative declaration has been filed. The 30 day public review period for the Negative Declaration was from December 12, 2014 to January 12, 2015. Copies of the environmental document were made available to the public at Milpitas City Hall, Public Library, City's website, County of Santa Clara Recorder's Office and State of California Office of Planning and Research (OPR), the State Clearinghouse Agency. The City received two comments on the negative declaration on the General Plan.

Planning Commission Action

At its meeting on February 25, 2015, the Planning Commission reviewed the Negative Declaration, Environmental Assessment No. EA No.14-0007 and General Plan Amendment No.GP 14-0004 adopting the Draft Housing Element 2015-2023 and revisions to the Seismic Safety Element and Open Space/ Environmental Conservation Element of the General Plan and recommended approval to the City Council.

The Planning Commission also unanimously recommended the Council reconsider its prior decision and to direct staff to conduct a Nexus Study (Inclusionary Zoning, In- Lieu Housing Fee and Commercial Linkage Fee) to support affordable housing for Planning Commission and City

Council review and consideration. Included in the Council's agenda packet are the Planning Commission meeting minutes regarding the discussion of the recommendation.

Attachments:

- A. Draft City Council Resolution
- B. Draft Housing Element Update
- C. Negative Declaration and Letter from OPR
- D. State Office of Planning and Research letter of Approval 1/13/2015
- E. Adopted Planning Commission Resolution 2/25/2015
- F. Letter from state Housing and Community Development 1/05/2015
- G. Response to Comment Letter
- H. Meeting Minutes of the Planning Commission 02/25/15
- I. Response Letters from NPH and Law Foundation

Recommendations:

- 1. Open the public hearing and receive comments.
- 2. Close the public hearing, following any speakers.
- 3. Adopt a Resolution approving the Environmental Assessment No. EA14-0007 (Negative Declaration) and General Plan Amendment No. GP14-0004 relating to the Draft Housing Element 2015-2023 and revisions to the Seismic Safety Element and Open Space/ Environmental Conservation Element of the General Plan.

5. Conduct a Public Hearing and Adopt a Resolution to Approve Vesting Tentative Map, Conditional Use Permit and Site Development Permit for a 489 Unit Development on 10.47 Acres in Two Structures Subject to Conditions of Approval at 450 Montague Expressway (Staff Contact: Darryl Boyd, 408-586-3287)

Background: The project is located on four parcels totaling 10.47 acres along East Capitol Avenue and Montague Expressway. The subject property is located within the Transit Area Specific Plan (TASP) and has a split zoning designation of Mixed Use Very High Density (MXD3) and Urban Residential with Transit Oriented Development (R5-TOD-S) with Site and Architectural Overlays. A vicinity map and context photos of the subject site are included on the subsequent pages.

The project includes two housing products types. The first type is a 351-unit five-story apartment building (Building 1) located over a partially submerged two-story parking garage. Building '1' will include a central podium level open space with landscaping and a pool for the residents. The second product is 138 stacked flat residential units ranging from three to four stories with all units having garages at the ground floor (see Attachment D, Project Plans). The project proposes to deviate from the Transit Area Specific Plan's circulation component, park reconfiguration, and the amount of the garage that extends above the grade for Building 1. Thus, the project is required to demonstrate a public benefit (see discussion below).

In addition, the project proposes to dedicate approximately one acre of public parkland that they will design and construct for public park purposes. The project will also design and construct an on-site linear trail parallel to Penitencia Creek. They will also construct the multiuse trail along East Penitencia creek on the maintenance road from Montague Expressway to the eastern boundary of the project connecting to a sidewalk leading up to Park B for the interim. The next developments to the east will extend the trail to the east to Lundy Place.

The Planning Commission conducted a public hearing on March 25, 2015 and unanimously adopted a resolution recommending that the City Council approve the Site Development Permit, Condition Use Permit and Vesting Major Tentative Map for the 489 dwelling unit development. Their recommendation included the addition of a condition requiring the applicant to work with the City Arborist to refine the landscaping plant palate and to include a public art component (See Attachments A-C). During the public hearing, the Planning Commission received comments

from the property owner (Bob Lawlor) of 730 E Capitol Avenue, which is the adjacent site to the east. Mr. Lawlor supports the project, but is concerned about Condition of Approval Number 37(e.vi) “West Leg South Milpitas Blvd Extension Cost Share” - aka WLSMBE - (see page 17 of the Conditions of Approval) and the assumptions regarding the land value of his property (see discussion after Public Benefit). His issue is outside the scope of the proposed project and will be appropriately addressed and resolved in conjunction with the design and cost estimates for the road extension or the review of a formal development proposal for his property.

Architecture and Site Design: The project architecture represents a contemporary style that is consistent with the design guidelines of the TASP. The proposed contemporary architecture uses modern interpretations of traditional forms. For example, the large protruding bay elements extend 3 feet from the main façade to provide architectural interest and a modern industrial feel in combination with the contrasting color palate and stone materials. The colors and materials provide a base to the building and pedestrian scale at the street level. The corner elements are enhanced with storefront glazing to provide a visually large leasing and amenities area. The second lobby on Montague is enhanced to establish the entry. Staff has included several conditions requiring minor refinements to the architecture, some of which have been addressed in the current submittal. The additional changes are intended to refine the quality of the building and to establish a stronger base for the structures. The proposed site layout is consistent with the TASP in that the street and trail frontages comply with TASP sections and details.

Access & Circulation: Vehicular site access is provided by two entry points, a main drive from Montague Expressway and a secondary from East Capitol Avenue. In the future, the site will be accessed from the Milpitas Boulevard extension and frontage road paralleling Penitencia Creek. Both driveways will be restricted to right in and right out as a temporary operational measure until the Milpitas Boulevard Extension is constructed. Once constructed, both entry points will be right in only and access out of the site will be through the new Milpitas Boulevard Extension to the new signalized intersection at E Capitol and Milpitas Blvd. The podium-building garage will be partially submerged and will have two distinct levels and two access points. The lower level will be accessed from the Drive Isle 1 ramp (near the Montague Expressway side) and the second level will be accessed from Street B. Pedestrian circulation will be provided around the perimeter of the site with the installation of new sidewalks and landscape. In addition, pedestrians will be able to walk through the site to the two public parks through the pedestrian trail adjacent to the creek, connecting paseos through the site and on-site sidewalks.

Public Benefit: Since the project is requesting a Conditional Use Permit through the TASP, the project is required to provide a public benefit as part of the development. Staff has worked with the applicant to design several important public benefits. Applicant has agreed to complete the following:

1. Fund a Feasibility Study for the Milpitas Avenue Extension Vehicular and Pedestrian Bridge that will span Penitencia Creek and eventually connect to Sango Court.
2. Prepare Construction Drawings for the proposed bridge once the Feasibility Study has been vetted through the City and the Santa Clara Valley Water District and other required agencies.
3. Fund the design and construction drawings for the Milpitas Avenue Extension from E Capitol Avenue to the new bridge.
4. Provide cost estimates for the construction of the Milpitas Avenue Extension.
5. Contribute 53% of the total costs for the construction of the Milpitas Avenue Extension.
6. Fund a Feasibility Study for the new Pedestrian Bridge over Montague Expressway near Penitencia Creek.
7. Prepare Construction drawings and cost estimates for the construction of the new Pedestrian Bridge.

Overall, the applicant will provide a substantial amount of funding to design several key elements within the TASP. These are key elements for the development of these several parcels

and the overall circulation system and implementation of the TASP. Although the applicant will receive TASP credits for the work described above, there is a significant benefit with regard to efficiency and timeliness by having the applicant complete these tasks. Furthermore, it will be the catalyst to have this important area redeveloped.

Milpitas Boulevard Extension: The TASP requires the future Milpitas Blvd Extension to extend over E. Capitol Ave and into the parcel identified as 730 E. Capitol Ave and connect with the proposed development at 450 Montague Expressway. The three property owners at 450 Montague Expressway, 730 E. Capitol Ave and 750 E. Capitol Ave will be required to fund and complete the extension. The funding will be based on the land acreage of each proposed development, which is currently 53% of the total cost allocated to the proposed project at 450 Montague Expressway. The remaining 47% will be similarly “fair share” proportioned between 730 E. Capitol Ave and 750 E. Capitol Ave in conjunction with development proposals on those properties. There are currently no pending development applications for 730 E. Capitol Ave and 750 E. Capitol Ave. However, a formal application for 750 E. Capitol is expected soon.

Staff met with the owners of 450 Montague Expressway (applicant), 730 E Capitol Avenue and 750 E Capitol Avenue regarding land acquisition for the Milpitas extension and the feasibility of reaching some agreement between the owners. An agreement never came to fruition before 450 Montague Expressway went to Planning Commission for consideration. Staff discussed the issue with various departments and it was determined that the City would use common Capitol Improvement Project practices for road construction, which leads to the assumption of 12% of the total road construction costs being allocated for land acquisition. The actual percentage can vary depending on the land location and if there are any property encumbrances.

In the case of the 730 E Capitol Avenue site, the location of the future road would be located over land with high-pressure gas lines running underneath and many no-build encumbrances on the land. In addition, the relocation was done as part of the BART project and the owner has received some compensation for the land, although this exact amount has not been fully disclosed. If the City Council is concerned that the landowner of 730 E Capitol Avenue may not be receiving fair compensation for the land required for roadway dedication, the issue should be resolved as part of the approval process for the WLSMBE as the issue is outside the scope of the proposed project. However, project condition 37(e.vi) does include the option to establish a land value based on an appraisal conducted by the City and funded by Lennar (developer for 450 Montague), and provides the flexibility to do either later. The appraisal will take into account current market value, encumbrances over the land and previous compensation received by the owner for the land. This approach could result in a less favorable land value for the property owner. Staff has included this alternative condition in the Alternatives discussion below.

Park Design and Layout: The proposed project includes two public parks (Park A and Park B) in addition to a linear trail located on the project site running parallel to Penitencia Creek. The project also includes improvements to the creek maintenance road to be used as a multi-use trail. The locations of the parks are different from indicated in the TASP and the differences are indicated in Figure 3 (in the agenda packet).

Staff reviewed the proposed park changes with the Parks, Recreation and Cultural Resources Commission (PRCRC) on February 2 and March 2, 2015. The project was reviewed twice due to minor site changes and the elimination of a second paseo element that provided a connection from the linear trail to Park B and Park A. Staff requested recommendations from the PRCRC regarding the park location and park names. The PRCRC was receptive to the park and recommended the City Council approve the design and recommended that the Council decide on one of the four names including; J.W. Johnson, Captain Calvin Valpey, O.H.P. Venum and Charles Beverson for Park A (being West) and Park B (being East). The staff report and minutes have been included in the agenda packet.

Water Conservation Ordinance (240.2) Exception Request: On August 26, 2014, the City Council adopted Urgency Ordinance No. 240.2, which implemented water use restrictions. Specifically as it relates to this project, the Urgency Ordinance prohibited the use of potable water for the installation of new landscape unless it is served by Reclaimed Water (5.07). Section 5.08 of the Urgency Ordinance allows the City Council to grant exceptions as needed. The subject site will be extending the reclaimed water line from Centre Point to the west side of the proposed Milpitas Boulevard Extension, which will be used on the site perimeter and all common areas. Reclaimed water is not allowed to be used on the podium level in the five-story building and for the proposed pool. Staff is in support of the proposed exception since the potable water use will be for small raised planter beds, which are consistent with the Water Efficient Landscape Ordinance, and for the proposed pool, which will serve as a great amenity for the 351 residents in the main building.

Environmental Review: The Planning Division conducted an initial environmental assessment of the project in accordance with the California Environmental Quality Act (CEQA). The project is exempt from further environmental review pursuant to Section 15168(c) (2) of the CEQA Guidelines because of its consistency with the certified EIR for the Transit Area Specific Plan adopted on June 3, 2008 by the City Council (See Attachment D).

Conclusion: In summary, the Planning Commission found the proposed Vesting Tentative Map No. MT14-0004, Site Development Permit No. SD14-0017, and Conditional Use Permit No. UP14-0024 consistent with the provisions of the General Plan, Transit Area Specific Plan and the Milpitas Municipal Code. The proposed project develops the existing site with a use that is consistent with the existing land uses and vision for the Transit Area Specific Plan.

Alternatives:

1. Approve the project as recommended by the Planning Commission on March 25, 2015.
2. Approve the project as recommended by the Planning Commission with the following change to Condition of Approval 37(e.vi) as follows:
WLSMBE Cost Share. Prior to issuance of the first Certificate of Occupancy (temporary or final) for any residential unit, the Permittee shall submit an engineer's estimate for all associated costs for the WLSMBE design, construction, management, and land cost assumption of 12% of the total cost of the project and an ENR Construction Cost Index projected out 5 years to the satisfaction of the City Engineer, or land value may be based on an appraisal conducted by the City and funded by Lennar, which will take into account current market value, encumbrances over the land and any previous compensation the owners have received for the land. The Permittee shall pay to the City a fair share contribution of 53% (based on site area of 10.47 acres) of the estimated costs. The Permittee fair share contribution shall be credited for all design costs. The Permittee shall pay the fair share contribution at Final Occupancy or final approval of the WLSMBE construction plans or whichever occurs first.
3. Approve the project as recommended by the Planning Commission with additional changes directed by the City Council.
4. Deny the project.

Fiscal Impact: Positive. The project will be contributing to the TASP fees of approximately \$32,781 per unit for a total of approximately \$16 million. The applicant will also be completing the feasibility design for a vehicular bridge and pedestrian overcrossing and the design of construction drawings and cost estimates for both elements. In addition, the applicant will be designing construction drawings and costs estimate for the Milpitas Boulevard Extension and contributing 53% of the costs for road construction.

Attachments

- A. Planning Commission Staff Report, March 25, 2015
- B. Adopted Planning Commission Resolution 15-003
- C. Planning Commission Meeting Minutes, March 25, 2015

- D. Initial Study and Categorical Exemption
- E. Plan Set
- F. Parks, Recreation and Cultural Resources Commission material 02/02/15
- G. Parks, Recreation and Cultural Resources Commission material 03/02/15
- H. Three layout design figures
- I. Draft City Council Resolution

Recommendations:

1. Open public hearing to receive comments.
2. Move to close the public hearing.
3. Per the Planning Commission recommendation, adopt a resolution approving the Vesting Tentative Map No. MT14-0002, Site Development Permit No. SD14-0014, and Conditional Use Permit No. UP14-0023 and Exception to Urgency Ordinance 240.2 for a 489 dwelling unit project located at 450 Montague Expressway and approve park names for Park A and Park B located at 450 Montague.

XVI. UNFINISHED BUSINESS

6. **Receive Presentation on an Overview of the California Public Employees Retirement System (CalPERS) (Contacts: Councilmember Grilli, 408-586-3031 and Carmen Valdez, 408-586-3086)**

Background: At the request of Councilmember Grilli, Mr. Ron Lind, Milpitas resident and CalPERS Board Member, will provide a presentation to the City Council on the funding status of the state retirement agency and how it relates to the City of Milpitas in CalPERS.

Recommendation: Receive a presentation by Ron Lind at the City Council meeting regarding CalPERS.

7. **Receive a Report and Demonstration on City Web Site Redesign (Staff Contact: Mike Luu, 408-586-2706)**

Background: For the past several months, Information Services staff has been working on a project to redesign the City's web site. The current design is over five years old. With the growing demand and viewing from mobile devices, the new redesign will respond and adapt to the new requirements. The goal of the redesign is to create a site that is cleaner, and adjusts to integrate with social media. Staff demonstrated the new design to the Telecommunications Commission on March 16, 2015. The new design was unanimously approved by the Telecommunications Commission. Staff will make a brief presentation to demonstrate the new web site. Some of the new features will be:

- Easily translates pages to 100 different languages
- Responsive (mobile-friendly) – Adapts and adjusts to mobile devices
- Content managed
- Modern design
- Consolidated

Alternative: The alternative is to keep the current website design.

Recommendation: Receive report from staff and direct staff to continue working on the City website update and redesign.

8. **Adopt a Resolution of Intention and Introduce Ordinance No. 101.23 Amending the City's Contract with the Board of Administration of the California Public Employees' Retirement System (Staff Contact: Carmen Valdez, 408-586-3086)**

Background: As a result of contract negotiations between the City of Milpitas and the Milpitas International Association of Fire Fighters Local 1699 (IAFF) finalizing the Memorandum of Understanding (MOU) for the period of December 3, 2014 through December 31, 2016, both parties agreed that the City would amend its current contract with the Public Employees Retirement System (PERS) to provide Section 20516 (Employees Sharing Additional Cost) of 3% for local fire members in the International Association of Firefighters Local Union 1699.

Government Code Section 7507 requires that the all future costs or benefits changes be made public at least two weeks prior to the adoption of the final Ordinance. The classic local fire members' contribution rate will now be 12% of reportable earnings and any new local fire members' contribution rate will be 14.25% of reportable earnings. Any changes in the employee or employer contribution rate will be effective as of the effective date of the contract amendment. PERS contract amendment procedures require an adoption of a Resolution of Intention to amend the contract and an adoption of an amending Ordinance. Both documents are included in the Council's agenda packet.

Fiscal Impact: None.

Recommendations:

1. Adopt a Resolution of Intention to approve a contract amendment with the Public Employees Retirement System to provide Section 20516 (Employees Sharing Additional Cost) of 3% for local fire members in IAFF.
2. Following a reading the ordinance title by the City Attorney, move to waive the first reading beyond the title of Ordinance No. 101.23.
3. Introduce Ordinance No. 101.23, authorizing an amendment to the contract between the City Council of the City of Milpitas and the Board of Administration of the California Public Employees' Retirement System.

*** 9. Adopt a Resolution Making Findings and Determination of Public Nuisance Regarding Newby Island Resource and Recovery Park Landfill Operation (Staff Contact: Michael Ogaz, 408-586-3040)**

Background: Overwhelming concern from Milpitas and other local citizens regarding odors from Newby Island has been presented to the City in the form of numerous signed postcards voicing opposition to the expansion of Newby Island. These citizens conclude that the Newby Island expansion will increase the size of the landfill, increase harmful odors and will negatively impact countless Milpitas and other community residents and businesses. This conclusion is supported by numerous public complaints reported by Bay Area Air Quality Management District (BAAQMD) over the years and, most significantly, resulting in numerous confirmed complaints and at least five notices of violation regarding Newby Island during the recent months of December and January. This evidence of odor nuisance from Newby Island is further supported by the City of Milpitas Odor Complaint Hotline which has received over 678 odor complaints during calendar year 2014, of which 156 were received during December of that year, with a further 394 received in January and 110 in February of 2015. A more recent BAAQMD report of March 30, 2015, connecting the odors detected at Milpitas City Hall on December 8, 2014, to Newby Island is included in the agenda packet.

The odor problem created by Newby Island is not new. Odors from the landfill have existed for the entire life of the City of Milpitas since before its incorporation in 1954. As recently as 2003, Milpitas created a stakeholder group intended to address the issues related to odor. The Newby Island operators as well as other stakeholders participated and one of the results was the odor reporting system now employed by BAAQMD. Unfortunately, that reporting system has proven to be unsatisfactory since it requires that a citizen odor complaint be confirmed by a BAAQMD inspector. Due to the time it takes for an inspector to arrive at the location of the reported odor and time to trace it back to its source, few complaints result in being confirmed by BAAQMD. Partly this is due to the transitory nature of odors and how they are affected by variable wind

conditions. Nonetheless, in a March 16, 2015 City Engineering Report, it was noted that BAAQMD has issued three Public Nuisance Violations to Newby Island Landfill and two to the Recyclery at Newby Island. The report (also attached) does not indicate what action will be taken as a result of these violations, but does note that BAAQMD will conduct a public meeting at Milpitas City Hall on April 23, 2015. The city encourages all interested citizens to appear at the meeting on April 23rd to voice their opinions.

Based on the foregoing information and evidence that operations at Newby Island constitute a public nuisance, staff recommends that the City Council adopt a resolution making a formal finding to that effect and also finding that the expansion project which will increase the height of the landfill by 95 feet will create and continue an odor impact having an unacceptable negative environmental impact on adjacent properties and nearby properties, including residential and commercial properties within the City of Milpitas.

Fiscal Impact: None.

Recommendation: Adopt a resolution finding public nuisance and negative environmental effect from operations at Newby Island.

XVII. REPORT OF MAYOR

*** 10. Consider Mayor's Recommendations for Appointments to the Economic Development Commission (Contact: Mayor Esteves, 408-586-3029)**

Background: Mayor Esteves recommends following appointments to the Economic Development Commission:

1. Newly appoint Ms. Teri Owens from the Embassy Suites Hotel as the hotel business representative, regular voting member, on the Commission to a term that will expire in April 2018.
2. Re-appoint Ms. Charlene Tsao as a regular voting member on the Commission to a term that will expire in April 2018.
3. Re-appoint Mr. Minh Nguyen as a regular voting member on the Commission to a term that will expire in April 2018.
4. Re-appoint Ms. Melanie Holthaus as Alternate No. 1 on the Commission to a term that will expire in April 2017.

Recommendation: Receive Mayor's recommendations and move to approve Commission on new appointment and three re-appointments to the Economic Development Commission.

XVIII. NEW BUSINESS

11. Receive a Presentation on the Citrus Pest and Disease Prevention Program (Staff Contact: Emma Karlen, 408-586-3145)

Background: Staff was contacted by Mr. Paul Worlie, a consultant for the "Citrus Pest and Disease Prevention Program" which is administered by the California Department of Food and Agriculture to enlist the assistance of the City of Milpitas to provide program information to the public. Mr. Worlie will provide a brief presentation about the Citrus Pest and Disease Prevention Program at the Council meeting.

Recommendations: Receive a presentation on the Citrus Pest and Disease Prevention Program.

*** 12. Receive 2014 Housing Element Annual Progress Report (Staff Contact: Tim Wong, 408-586-3286)**

Background: California Government Code Section 65400(a)(2) requires local agencies to provide an Annual Report to the City Council, the California Office of Planning and Research (OPR), and the California Department of Housing and Community Development (HCD) on the status of the City's General Plan housing activity. More specifically, the State requests a report describing the community's progress in meeting its fair share of the Regional Housing Needs Allocation (RHNA), efforts to maintain, improve and develop housing.

The reporting timeframe covers the RHNA period of 2007-2014. This annual report will be the last for the 2007-2014 timeframe. Beginning next year, the City will begin reporting on its progress for the 2015-2023 RHNA period. In addition, in March 2015, a new State reporting requirement mandates that jurisdictions also submit Successor Housing Agency Annual Reports with the Progress Report. Both reports have been attached for reference.

A quick explanation of the reporting format:

- Table A is the City new residential building permit activity for calendar year 2014.
- Table A2 is the number of units rehabilitated in the City done through the City's Rehabilitation program and through Building Together.
- Table A3 is the City's cumulative new residential building permit activity.
- Table B is the City's progress towards the City's 2007-2014 RHNA requirements.
- Table C is the City's narrative of the City's Program Implementation Status of the Housing Element.

After the City Council receipt of the Housing Report, the report will be sent to the state of California agencies OPR and HCD.

Fiscal Impact: None.

Recommendation: Receive the 2014 Annual Housing Progress Report.

XIX. ORDINANCE

- * 13. Waive the Second Reading and Adopt Ordinance No. 38.821 Relating to Public Art Requirements for Private Development Projects (Staff Contact: Adam Petersen, 408-586-3274)**

Background: On April 7, 2015, the City Council introduced Ordinance No. 38.821 to amend the City's zoning regulations to require public art for private development projects. Council directed that the Ordinance be amended to incorporate three changes:

- 1) If the 1% requirement for installing the art work on the project site cannot be fully satisfied because of the size, location and scale of the art work in relation to the project site, the developer may satisfy the one percent requirement by a combination of installing artwork on the project site and contributing the difference between the cost of the installed art work and the remaining one percent amount into the art in lieu fund;
- 2) Residential projects with a minimum of 20 percent of their units as affordable units as defined in Section XI-10-54.15.D of the Milpitas Zoning Code are exempt from the public art requirements; and
- 3) Verify the cost accuracy of the proposed art on-site.

With these changes incorporated, Ordinance No.38.821 is ready for second reading and adoption.

Alternatives:

- a. Adopt the ordinance as proposed
- b. Deny the ordinance; or
- c. Amend the proposed ordinance.

Fiscal Impact: The ordinance will generate funding for the City's Art In-Lieu Fund. This creates a positive fiscal impact that improves the aesthetic environment for the City.

Recommendations:

1. Waive the second reading of Ordinance No. 38.821.
2. Adopt Ordinance No. 38.821 amending the Milpitas Municipal Code to include provisions relating to public art in private development projects.

XX. RESOLUTION

- * 14. Adopt a Resolution Approving a Communication and Integrity Policy for the Solid Waste Request for Proposal Process (Staff Contact: Steven Machida, 408-586-3355)**

Background: City of Milpitas and Republic Waste Services of North America, LLC have a contract to provide solid waste services to the Milpitas community expiring on September 5, 2017. On April 7, 2015, the Milpitas City Council authorized staff to issue a Request For Proposal (RFP) for solid waste services beyond September 5, 2017. The City has retained HF&H Consultants, LLC (HF&H) to assist in the procurement of a solid waste services vendor. HF&H has assisted other cities with similar services and recommends that Council adopt a Communication and Integrity Policy. The purpose of the policy is to provide a fair opportunity for all potential respondents and to create an impartial climate during the proposal process. The proposed policy addresses topics such as communications between Council and proposers, conduct during the competitive solicitation process, campaign contributions, and gifts. A copy of the proposed policy is included with the resolution in the Council agenda packet.

Alternative: The alternative is to not adopt a Communication and Integrity Policy which may complicate or possibly create an unfair RFP process.

Fiscal Impact: None.

Recommendation: Adopt a Resolution approving a communication and integrity policy for the solid waste request for proposal

XXI. AGREEMENTS

- * 15. Approve a Three-Year Agreement (FY 2015-2018) with the City of San Jose for Animal Services (Staff Contacts: Tim Wong, 408-586-3286 and Mark Ruffing, 408-586-3282)**

Background: Since July 1, 2001, the City of San Jose has provided the City of Milpitas with animal control services at the San Jose Animal Shelter Facility located at 2750 Monterey Road. The proposed Animal Services Agreement is a three-year agreement from July 1, 2015 until June 30, 2018. The cost of the three-year agreement is: \$358,891 in FY 2015-16, \$369,658 in FY 2016-17 and \$380,748 in FY 2017-18, for a total of \$1,109,297. The previous three-year agreement cost was \$1,045,314. The new agreement entails a 3% annual cost increase.

Animal control services provided by the City of San Jose include the following:

- Field Services – Pick up dead and injured animals, confining stray animals, response to emergency calls, investigating complaints, respond to police assistance;
- Response Time Performance Standards – Priority 1, 2, 3 and 4 calls, and responding to after business hour calls;
- Sheltering Services – Sheltering abandoned, impounded, lost or stray animals, quarantine of biting animals, rabies testing of suspect animals, provisions for surrender and claim of abandoned, lost or stray animals, euthanization and disposal of abandoned, lost or stray animals;

- Medical Services – Provisions for veterinarian services 24 hours per day to treat and provide veterinarian care to stray, injured or sick animals;
- Dead Animals Services – Pick up dead animals between the hours of 5:00 p.m. and 7:00 p.m. (Note: from 7:00 a.m. to 5:00 p.m., Milpitas Public Works staff picks up dead animals.)

The City of San Jose provides the City of Milpitas with quarterly reports. Milpitas City staff has not received any complaints regarding the level of animal control services provided by the City of San Jose. For consideration by the City Council, included in the agenda packet is a copy of the proposed Animal Services Agreement with the City of San Jose for FY 2015-2018.

Fiscal Impact: None. Total cost is \$1,109,297 over a three-year period (FY 2015-18), where approximately \$40,000 to \$50,000 will be recovered from animal license fees to partially offset the cost. The full amount of this agreement has already been budgeted.

Recommendation: Approve an agreement with the City of San Jose for Animal Services for Fiscal Years 2015-2018 in the amount of \$1,109,297 (\$358,891 in FY 2015-16; \$369,658 in FY 2016-17; and \$380,748 in FY 2017-18).

*** 16. Approve Plans and Specifications and Authorize Advertisement for Bid Proposals for Soundwall Renovations, Project No. 4267 (Staff Contact: Steve Erickson, 408-586-3301)**

Background: Staff completed plans and specifications for the Soundwall Renovations Project No. 4267. The project provides for the repairs and replacement of City owned precast concrete soundwalls. The project will focus on sealing of cracks to prevent moisture intrusion, the repair of spalled and damaged concrete, and repainting of the soundwall along the south side of Jacklin Road from Hillview Drive to Oliver Jones Memorial Park. The Project will also remove and replace 260 feet of City owned soundwall adjacent to Tularcitos Creek at Hillview Drive that has reached the end of its service life and has deteriorate beyond repair.

The Engineer's Estimate for the project is \$375,000, and it is anticipated that additional funding will be required to award this project. A copy of the title sheet of the project plans is included in the Council's agenda packet and the complete set of plans and specifications are available for review in the office of the City Engineer.

Alternative: Denial would result in not completing repairs and replacement of City owned soundwalls at the noted locations, resulting in further deterioration and potentially unsafe conditions.

California Environmental Quality Act: The project is exempt under Section 15301 (Existing Facilities) of the CEQA Guidelines.

Fiscal Impact: Additional funding will be requested at the time of award in order to award this project.

Recommendation: Approve the plans and specifications for Soundwall Renovations, Project No. 4267 and authorize advertisement for bid proposals.

*** 17. Authorize the Director of Engineering to Issue a Bidder Pre-Qualification Package for the Milpitas Sports Center Pool Repair, Project No. 3408 (Staff Contact: Steve Erickson 408-586-3301)**

Background: Construction documents for a major rehabilitation of the Sports Center pools are being prepared. The work includes resurfacing of the yard, meter and training pools; removal of existing ramp in yard pool and installation of new walk in stairs; new pool lighting in the meter and yard pools; replacement of all under deck pool piping and related appurtenances; replacement of concrete pool deck and deck drainage system. The project will also include the

installation of permanent outdoor showers, installation of shade structures, new lifeguard stands and racing platforms, and removal of the non-operational wading pool. The Engineer's estimated cost for this work is \$1,500,000.

Due to the specialized nature of the work, construction contract amount, and the tight construction schedule with project completion necessary for the start of the 2016 summer swim programs, staff is recommending a pre-qualification process for the potential bidders of this project. Staff has prepared a bidder pre-qualification package for the project. The pre-qualification package allows interested bidders to preview the project plans and specifications prior to the project bid scheduled for summer 2015. Interested bidders will then submit their qualifications to the City for review and approval. Only bidders who have been approved through the pre-qualification process will be authorized to submit bids for the project.

Alternative: A denial of this request would result in not pre-qualifying the potential bidders. The pre-qualification process allows the City a better process for determining a responsible bidder rather than the City making that determination after the project bid opening.

Fiscal Impact: None. Sufficient funds will be available in the project budget at time of award.

Recommendation: Authorize the Director of Engineering to issue a bidder pre-qualification package for the Milpitas Sports Center Pool Repair, Project No. 3408.

XXII. ADJOURNMENT

**NEXT REGULARLY SCHEDULED COUNCIL MEETING
TUESDAY, MAY 5, 2015**